

CHRISTOPHER L. PITET, SBN 196861  
cpitet@grobatypitet.com  
JOHN M. ALPAY, SBN 198127  
jalpay@grobatypitet.com  
GROBATY & PITET LLP  
100 Bayview Circle, Suite 210  
Newport Beach, California 92660  
Telephone: (949) 502-7755  
Facsimile: (949) 502-7762  
  
Attorneys for Plaintiff  
LUXOTTICA GROUP S.P.A.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

LUXOTTICA GROUP S.P.A., an  
Italian corporation,

Plaintiff,

v.

PARTY CITY HOLDCO INC., a  
Delaware corporation; and DOES 1  
through 10, inclusive

Defendants.

CASE NO. **'15CV1739 BEN BLM**

ASSIGNED FOR ALL PURPOSES TO:

**COMPLAINT FOR:**

- 1. TRADEMARK INFRINGEMENT;**
- 2. FALSE DESIGNATION OF ORIGIN;**
- 3. TRADEMARK DILUTION;**
- 4. COMMON LAW TRADEMARK INFRINGEMENT; AND**
- 5. UNFAIR COMPETITION.**

**DEMAND FOR JURY TRIAL**

1 Plaintiff LUXOTTICA GROUP S.P.A. ("Luxottica" or "Plaintiff")  
2 hereby complains of Defendant PARTY CITY HOLDCO INC. ("Defendant")  
3 and DOES 1 through 10, inclusive, and alleges as follows:

4 **I.**

5 **THE PARTIES**

6 1. Plaintiff is a corporation organized and existing under the  
7 laws of the Republic of Italy, having its principal place of business  
8 at Piazzale Luigi Cadorna 3, Milan, 20123 Italy.

9 2. Plaintiff is informed and believes, and thereon alleges,  
10 that Defendant is a corporation organized and existing under the laws  
11 of the state of Delaware and has a principal place of business at 80  
12 Grasslands Road, Elmsford, New York 10523.

13 3. Plaintiff is informed and believes, and thereon alleges,  
14 that Defendant regularly conducts business in, and has committed the  
15 acts alleged herein, within this judicial district.

16 **II.**

17 **JURISDICTION AND VENUE**

18 4. This is an action for (a) trademark infringement arising  
19 under 15 U.S.C. § 1114, (b) false designation of origin arising under  
20 15 U.S.C. § 1125(a), (c) trademark dilution arising under 15 U.S.C.  
21 § 1125(c), (d) trademark infringement arising under the common law of  
22 the State of California, and (f) unfair competition arising under  
23 California Business & Professions Code  
24 § 17200.

25 5. This Court has original subject matter jurisdiction  
26 pursuant to 15 U.S.C. §§ 1116(a) and 1121(a) and 28 U.S.C. §§ 1331  
27 and 1338 over the claims arising under the laws of the United States.  
28 This Court has supplemental jurisdiction over the remaining claims in

1 this Complaint pursuant to 28 U.S.C. § 1367(a) because the state law  
2 claims are so related to the federal claims that they form part of  
3 the same case or controversy and derive from a common nucleus of  
4 operative facts.

5 6. This Court has personal jurisdiction over Defendant because  
6 Defendant has a continuous, systematic, and substantial presence  
7 within this judicial district including by regularly doing and  
8 soliciting business and deriving revenue from goods provided to  
9 individuals in this judicial district, including but not limited to  
10 selling infringing eyewear directly to consumers and/or retailers in  
11 this district and selling into the stream of commerce knowing such  
12 eyewear products would be sold in California and this district, which  
13 acts form a substantial part of the events or omissions giving rise  
14 to Luxottica's claim.

15 7. Venue is proper in this judicial district under 28 U.S.C.  
16 § 1391 (b)-(d).

### 17 III.

#### 18 GENERAL ALLEGATIONS

19 8. Luxottica is a well-known and established manufacturer,  
20 distributor and retailer of high quality eyewear. Many of these lines  
21 of eyewear, such as Ray-Ban®, have enjoyed substantial success and  
22 are protected by various intellectual property rights owned or  
23 licensed by Luxottica.

24 9. Luxottica has marketed and sold its high quality eyewear in  
25 connection with the WAYFARER® mark (the "Luxottica Mark"). Since  
26 Luxottica began using the Luxottica Mark, its use of the mark in  
27 connection with eyewear has been continuous and exclusive.

28 10. Over the years Luxottica has invested a considerable amount

1 of time and money in establishing the Luxottica Mark in the minds of  
2 consumers as a source of high quality eyewear. As a result of  
3 Luxottica's substantial use and promotion of the Luxottica Mark in  
4 connection with the eyewear and other products, the mark has acquired  
5 great value as a specific identifier of Luxottica's products and  
6 serves to distinguish Luxottica's products from that of others.  
7 Customers in this Judicial District and elsewhere readily recognize  
8 the Luxottica Mark as distinctive designations of origin of  
9 Luxottica's products. The Luxottica Mark is an intellectual property  
10 asset of great value as a symbol of Luxottica's quality products and  
11 goodwill.

12 11. Luxottica is the owner of Trademark Registration Nos.  
13 595,513 for the Luxottica Mark.

14 12. Trademark Registration No. 595,513 was registered with the  
15 U.S.P.T.O. on September 21, 1954. Trademark Registration No. 595,513  
16 is associated with the following goods: sunglasses. A true and  
17 correct copy of the certificate of registration of Trademark  
18 Registration No. 595,513 is attached hereto as Exhibit A.

19 13. Without permission or consent from Luxottica, Defendant is  
20 offering for sale, distributing, marketing, and/or selling eyewear  
21 bearing the Luxottica Mark.

22 14. Defendant did not begin using its infringing mark in  
23 connection with eyewear until long after Luxottica began using the  
24 Luxottica Mark.

25 15. Luxottica is informed and believes, and on that basis  
26 alleges, that Defendant's unauthorized use of its infringing mark is  
27 intended to trade upon the goodwill and substantial recognition  
28 associated with Luxottica and the Luxottica Mark.

1           16. Luxottica is informed and believes, and on that basis  
2 alleges, that Defendant is using its infringing mark in an attempt to  
3 associate its eyewear products with Luxottica and the Luxottica Mark,  
4 to cause mistake or deception as to the source of Defendant's eyewear  
5 products and/or to otherwise trade upon Luxottica's valuable  
6 reputation and customer goodwill in its mark.

7           17. Luxottica is informed and believes, and on that basis  
8 alleges, that Defendant's use of its infringing mark is designed to  
9 cause confusion, mistake, or deception.

10          18. By virtue of the acts complained of herein, Defendant has  
11 created a likelihood of injury to Luxottica's business reputation,  
12 caused a strong likelihood of consumer confusion, mistake, and  
13 deception as to the source of or origin or relationship of Luxottica's  
14 and Defendant's goods, has caused actual confusion, and has otherwise  
15 competed unfairly with Luxottica by unlawfully trading on and using  
16 the Luxottica Mark without Luxottica's permission or consent.

17          19. At no time has Luxottica ever given Defendant license,  
18 permission or authority to use or display the Luxottica Mark in  
19 connection with any of Defendant's eyewear products.

20          20. Luxottica is informed and believes, and on that basis  
21 alleges, that Defendant's acts complained of herein are willful and  
22 deliberate.

23          21. Defendant's acts complained of herein have caused Luxottica  
24 to suffer irreparable injury to its business. Luxottica will suffer  
25 substantial loss of goodwill and reputation unless and until Defendant  
26 is preliminarily and permanently enjoined from its wrongful actions  
27 complained of herein.

28

IV.

FIRST CLAIM FOR RELIEF

(Federal Trademark Infringement)

(15 U.S.C. § 1114)

22. Luxottica repeats and re-alleges the allegations of paragraphs 1- 22 of this Complaint as if set forth fully herein.

23. This is a claim for trademark infringement arising under 15 U.S.C. § 1114.

24. Defendant has used in commerce, without Luxottica's permission, reproductions, copies or colorable imitations of the Luxottica Mark in connection with distributing, selling, offering for sale, advertising, and/or promoting Defendant's eyewear.

25. Without Luxottica's permission, Defendant is reproducing, copying, or colorably imitating the Luxottica Mark and applying such reproductions, copies or colorable imitations to merchandise, labels, signs, packages, receptacles or advertisements intended to be used in commerce upon or in connection with the distributing, selling, offering for sale, advertising and/or promoting of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.

26. Luxottica is informed and believes, and on that basis alleges, that Defendant's activities complained of herein constitute willful and intentional infringements of the Luxottica Mark, and that Defendant did so with the intent to unfairly compete against Luxottica, to trade upon Luxottica's reputation and goodwill by causing confusion and mistake among customers and the public, and to deceive the public into believing that Defendant's eyewear products

1 are associated with, sponsored by, originated from, or are approved  
2 by Luxottica, when in truth and fact they are not.

3 27. Luxottica is informed and believes, and on that basis  
4 alleges, that Defendant had actual knowledge of Luxottica's ownership  
5 and prior use of the Luxottica Mark and without the consent of  
6 Luxottica has willfully infringed the Luxottica Mark in violation of  
7 15 U.S.C. § 1114.

8 28. Luxottica is informed and believes, and thereon alleges,  
9 that Defendant has derived and received, and will continue to derive  
10 and receive, gains, profits, and advantages from the use of the  
11 Luxottica Mark in an amount that is not presently known to Luxottica.  
12 By reason of Defendant's actions, constituting unauthorized use of  
13 the Luxottica Mark, Luxottica has been damaged and is entitled to  
14 monetary relief in an amount to be determined at trial.

15 29. Due to Defendant's actions, constituting unauthorized use  
16 of the Luxottica Mark, Luxottica has suffered and continues to suffer  
17 great and irreparable injury, for which Luxottica has no adequate  
18 remedy at law.

19 V.

20 **SECOND CLAIM FOR RELIEF**

21 **(Federal Unfair Competition & False Designation of Origin)**

22 **15 U.S.C. § 1125(a))**

23 30. Luxottica repeats and realleges the allegations of  
24 paragraphs 1-22 of this complaint as if set forth fully herein.

25 31. This is a claim for unfair competition and false designation  
26 of origin arising under 15 U.S.C. § 1125(a).

27 32. Without Luxottica's consent, Defendant has created and will  
28 create a false designation of origin by using in commerce the

1 Luxottica Mark and/or other marks confusingly similar to the Luxottica  
2 Mark in connection with the distribution, sale, offering for sale,  
3 advertising, and/or promotion of Defendant's eyewear, thereby causing  
4 a likelihood of confusion, mistake or deception as to an affiliation,  
5 connection or association with Luxottica or to suggest Luxottica as  
6 the origin of the goods and/or services, or that Luxottica has  
7 sponsored or approved Defendant's commercial activities.

8 33. Luxottica is informed and believes, and on that basis  
9 alleges, that Defendant acted with the intent to unfairly compete  
10 against Luxottica, to trade upon Luxottica's reputation and goodwill  
11 by causing confusion and mistake among customers and the public, and  
12 to deceive the public into believing that Defendant's eyewear products  
13 are associated with, sponsored by or approved by Luxottica, when they  
14 are not.

15 34. Luxottica is informed and believes, and on that basis  
16 alleges, that Defendant had knowledge of Luxottica's ownership and  
17 prior use of the Luxottica Mark, and without the consent of Luxottica,  
18 has willfully committed acts of unfair competition and false  
19 designation of origin in violation of 15 U.S.C. § 1125(a).

20 35. Luxottica is informed and believes, and thereon alleges,  
21 that Defendant has derived and received, and will continue to derive  
22 and receive, gains, profits, and advantages from Defendant's false  
23 designation of origin, false or misleading statements, descriptions  
24 of fact, or false or misleading representations of fact in an amount  
25 that is not presently known to Luxottica. By reason of Defendant's  
26 actions, constituting false designation of origin, false or  
27 misleading statements, false or misleading descriptions of fact, or  
28 false or misleading representations of fact, Luxottica has been



1 damaged and is entitled to monetary relief in an amount to be  
2 determined at trial.

3  
4 36. Due to Defendant's actions, constituting false designation  
5 of origin, false or misleading statements, false or misleading  
6 description of fact, or false or misleading representations of fact,  
7 Luxottica has suffered and continues to suffer great and irreparable  
8 injury, for which Luxottica has no adequate remedy at law.

9 **VI.**

10 **THIRD CLAIM FOR RELIEF**

11 **(Federal Trademark Dilution)**

12 **(15 U.S.C. § 1125(c))**

13 37. Luxottica repeats and re-alleges the allegations of  
14 paragraphs 1-37 of this Complaint as if set forth fully herein.

15 38. This is a claim for trademark dilution under 15 U.S.C. §  
16 1125(c).

17 39. The products sold by Luxottica under the Luxottica Mark  
18 have been widely advertised, promoted, and distributed to the  
19 purchasing public throughout the United States and the world.

20 40. Luxottica's products sold under the Luxottica Mark, by  
21 reason of their style and design and quality of workmanship, have  
22 come to be known to the purchasing public throughout the United States  
23 as high quality products, which are sold under excellent merchandising  
24 and customer service conditions. As a result, the Luxottica Mark,  
25 and the goodwill associated therewith, are of great value to  
26 Luxottica.

27 41. By virtue of the wide renown acquired by the Luxottica Mark,  
28 coupled with the national and international distribution and

1 extensive sale of various products distributed under the Luxottica  
2 Mark, the Luxottica Mark is famous and became so prior to Defendant's  
3 acts complained of herein.

4  
5 42. Defendant's unauthorized commercial use of the Luxottica  
6 Mark in connection with the advertisement, offering for sale and sale  
7 of Defendant's eyewear products has caused and is likely to continue  
8 to cause dilution of the distinctive quality of the famous Luxottica  
9 Mark.

10 43. Defendant's acts are likely to tarnish, injure, or trade  
11 upon Luxottica's business, reputation or goodwill, and to deprive  
12 Luxottica of the ability to control the use of its Luxottica Mark and  
13 quality of products associated therewith.

14 44. Luxottica is informed and believes, and on that basis  
15 alleges, that Defendant's dilution has been willful and deliberate.

16 45. By reason of the aforesaid acts constituting trademark  
17 dilution, Luxottica has been damaged and is entitled to monetary  
18 relief in an amount to be determined at trial.

19 46. Due to Defendant's actions, constituting trademark  
20 dilution, Luxottica has suffered and continues to suffer great and  
21 irreparable injury, for which Luxottica has no adequate remedy at  
22 law.

23 **VII.**

24 **FOURTH CLAIM FOR RELIEF**

25 **(California Common Law Trademark Infringement)**

26 47. Luxottica repeats and re-alleges the allegations of  
27 paragraphs 1-47 of this Complaint as if set forth fully herein.

28 48. This is a claim for trademark infringement, arising under

1 California common law.

2 49. Defendant's acts complained of herein constitute trademark  
3 infringement under California common law. Defendant's acts  
4 complained of herein are willful and deliberate and committed with  
5 knowledge that Defendant's unauthorized use of the Luxottica Mark  
6 causes a likelihood of confusion.

7 50. Luxottica is informed and believes, and thereon alleges,  
8 that Defendant has derived and received and will continue to derive  
9 and receive, gains, profits and advantages from Defendant's trademark  
10 infringement in an amount that is not presently known to Luxottica.  
11 By reason of Defendant's wrongful acts as alleged in this Complaint,  
12 Luxottica has been damaged and is entitled to monetary relief in an  
13 amount to be determined at trial.

14 51. Due to Defendant's trademark infringement, Luxottica has  
15 suffered and continues to suffer great and irreparable injury for  
16 which Luxottica has no adequate remedy at law.

17 52. Defendant's willful acts of trademark infringement under  
18 California common law constitute fraud, oppression, and malice.  
19 Accordingly, Luxottica is entitled to exemplary damages.

20 **VIII.**

21 **FIFTH CLAIM FOR RELIEF**

22 **(California Unfair Competition)**

23 53. Luxottica repeats and re-alleges the allegations of  
24 paragraphs 1-53 of this Complaint as if set forth fully herein.

25 54. This is a claim for unfair competition, arising under  
26 California Business & Professions Code § 17200, et seq. and California  
27 common law.

28 55. Defendant's acts of trademark infringement, false

1 designation of origin, and trademark dilution complained of herein  
2 constitute unfair competition with Luxottica under the common law and  
3 statutory laws of the State of California, particularly California  
4 Business & Professions Code  
5 § 17200 et seq.

6  
7 56. Luxottica is informed and believes, and thereon alleges,  
8 that Defendant has derived and received, and will continue to derive  
9 and receive, gains, profits and advantages from Defendant's unfair  
10 competition in an amount that is not presently known to Luxottica.  
11 By reason of Defendant's wrongful acts as alleged in this Complaint,  
12 Luxottica has been damaged and is entitled to monetary relief in an  
13 amount to be determined at trial.

14 57. By its actions, Defendant has injured and violated the  
15 rights of Luxottica and has irreparably injured Luxottica, and such  
16 irreparable injury will continue unless Defendant is enjoined by this  
17 Court.

18 **PRAYER FOR RELIEF**

19 **WHEREFORE**, Luxottica prays for judgment in its favor against  
20 Defendant for the following relief:

21 1. That the Luxottica Mark be deemed valid and willfully  
22 infringed by Defendant in violation of 15 U.S.C. § 1114, et seq.;

23 2. A preliminary and permanent injunction against Defendant,  
24 its officers, agents, servants, employees, representatives,  
25 successors, and assigns, and all persons, firms, or corporations in  
26 active concert or participation with Defendant, enjoining them from  
27 engaging in the following activities and from assisting or  
28

1 inducing, directly or indirectly, others to engage in the following  
2 activities:

3 A. using to market, advertise, promote, sell, offer for  
4 sale, and/or identify Defendant's goods with the  
5 Luxottica Mark or any mark that is confusingly similar  
6 to the Luxottica Mark or is likely to create the  
7 erroneous impression that Defendant's goods or services  
8 originate from Luxottica, are endorsed by Luxottica, or  
9 are connected in any way with Luxottica;

10 B. manufacturing, distributing, shipping, importing,  
11 reproducing, displaying, advertising, marketing,  
12 promoting, transferring, selling, and/or offering to  
13 sell any eyewear products bearing any of the Luxottica  
14 Mark and/or any confusingly similar marks;

15 C. otherwise infringing or diluting the Luxottica Mark  
16 and/or any of Luxottica's other trademarks;

17 D. falsely designating the origin of Defendant's goods;

18 E. unfairly competing with Luxottica in any manner; or

19 F. causing a likelihood of confusion or injuries to  
20 Luxottica's business reputation;

21 3. That Defendant be directed to file with this Court and  
22 serve on Luxottica within thirty (30) days after the service of the  
23 injunction, a report, in writing, under oath, setting forth in  
24 detail the manner and form in which Defendant has complied with the  
25 injunction pursuant to 15 U.S.C. § 1116;

26 4. That, because of the exceptional nature of this case  
27 resulting from Defendant's deliberate infringing actions, this  
28 Court award to Luxottica all reasonable attorneys' fees, costs and

1 disbursements incurred as a result of this action, pursuant to 15  
2 U.S.C. § 1117;

3 5. That Defendant be required to account for any and all  
4 profits derived by its acts of trademark infringement, false  
5 designation of origin, trademark dilution, and unfair competition  
6 complained of in this Complaint;

7 6. That Luxottica be awarded damages for Defendant's  
8 trademark infringement pursuant to 15 U.S.C. § 1117 in the form of  
9 Defendant's profits, damages sustained by Luxottica and the costs  
10 of the action, together with prejudgment and post-judgment  
11 interest;

12 7. That Defendant's acts of trademark infringement, false  
13 designation of origin, trademark dilution, and unfair competition  
14 complained of in this Complaint be deemed willful, and that  
15 Luxottica be entitled to enhanced damages;

16 8. That Defendant be adjudged to have acted with willful intent  
17 to trade on Luxottica's reputation and to dilute the famous Luxottica  
18 Mark in violation of 15 U.S.C. § 1125(c), et seq.;

19 9. That Defendant be adjudged to have willfully and  
20 maliciously infringed the Luxottica Mark in violation of  
21 Luxottica's common law rights under California common law;

22 10. That Defendant be adjudged to have violated California  
23 Business & Professional Code § 14247 by seeking to injure  
24 Luxottica's business reputation and to dilute the distinctive  
25 quality of the Luxottica Mark;

26 11. That Defendant be adjudged to have competed unfairly with  
27 Luxottica under the common law of the State of California;

28 12. That Defendant be adjudged to have competed unfairly with

1 Luxottica under California Business & Professional Code § 17200, and  
2 that Defendant's actions in so doing be adjudged willful and done  
3 knowingly;

4 13. That an accounting be ordered to determine Defendant's  
5 profits resulting from its infringement, unfair competition,  
6 dilution, and false designation of origin, and that Luxottica be  
7 awarded monetary relief in an amount to be fixed by the Court in its  
8 discretion as it finds just as an equitable remedy, including:

9 A. all profits received by Defendant from sales and  
10 revenues of any kind made as a result of its infringing  
11 actions, said amount to be trebled;

12 B. all damages sustained by Luxottica as a result of  
13 Defendant's acts of infringement, unfair competition,  
14 false designation of origin, and dilution, and that  
15 such damages be trebled; and

16 C. punitive damages stemming from Defendant's willful,  
17 intentional, and malicious acts;

18 14. That such damages and profits be trebled and awarded to  
19 Luxottica pursuant to 15 U.S.C. § 1117;

20 15. That Luxottica recover exemplary damages pursuant to  
21 California Civil Code § 3294;

22 16. That Luxottica have and recover the costs of this civil  
23 action, including reasonable attorneys' fees;

24 17. An award of pre-judgment and post-judgment interest and  
25 costs of this action against Defendant; and  
26  
27  
28

1           18. Such other and further relief as this Court may deem just  
2 and proper.

3 Dated: August 5, 2015

CHRISTOPHER L. PITET  
JOHN M. ALPAY  
GROBATY & PITET LLP

6  
7 By: /s/ Christopher L. Pitet  
Christopher L. Pitet

8 Attorneys for Plaintiff  
9 LUXOTTICA GROUP S.P.A.



**DEMAND FOR JURY TRIAL**

Plaintiff Luxottica Group S.P.A. hereby demands a trial by jury on all issues triable by a jury as provided by Rule 38(a) of the Federal Rules of Civil Procedure.

Dated: August 5, 2015

CHRISTOPHER L. PITET  
JOHN M. ALPAY  
GROBATY & PITET LLP

By: /s/ Christopher L. Pitet  
Christopher L. Pitet

Attorneys for Plaintiff  
LUXOTTICA GROUP S.P.A.